

HOUSE JOINT RESOLUTION 489
By McDonald

A RESOLUTION to create a special joint committee to study the nonrenewal and cancellation of homeowners' insurance policies.

WHEREAS, there is a disturbing national trend of insurance companies canceling or refusing to renew the policies of homeowners who have made legitimate claims against their homeowners' policies; and

WHEREAS, unfortunately, Tennessee is not immune from this disturbing trend; and

WHEREAS, Tennessee law precludes an insurance company from canceling a homeowner's policy until the anniversary date of such policy; however, in New York state, homeowners cannot be dropped by their insurance companies for three years after purchasing their policies, except in certain specific circumstances; and

WHEREAS, this General Assembly recognizes that insurance companies need to be operated on an actuarially sound basis and that policy premiums need to be kept at an affordable level; however, we also concur with the sentiments of thousands of homeowners who question the value of insurance if it cannot be used to recoup one's losses from damage or theft; and

WHEREAS, this matter is of great concern to all Tennesseans, and legislative remedies to the aforementioned problems should be carefully considered by this Body; now, therefore,

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BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE ONE-HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE SENATE CONCURRING, That there is hereby created a special joint committee to study the cancellation and/or nonrenewal of homeowners' insurance policies.

BE IT FURTHER RESOLVED, That the committee shall consist of three (3) members of the House of Representatives and three (3) members of the Senate, to be appointed by the respective speakers.

BE IT FURTHER RESOLVED, That all appropriate state agencies shall provide assistance to the special joint committee upon request of the chair.

BE IT FURTHER RESOLVED, That all legislative members of the special joint committee who are duly elected members of the General Assembly shall remain members of such committee until the committee reports its findings and recommendations to the General Assembly.

BE IT FURTHER RESOLVED, That the special joint committee shall be convened by the member with the most years of continuous service in the General Assembly; and at its first meeting shall elect a chair, vice-chair, and such other officers the committee deems necessary.

BE IT FURTHER RESOLVED, That the special joint committee shall report its findings and recommendations, including any proposed legislation or interim reports, to the General Assembly no later than February 1, 1999 at which time the committee shall cease to exist.